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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/630,530

07/30/2003

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037925.0003

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05/01/2007

EXAMINER

MEYERS, MATTHEW S

ART UNIT

PAPER NUMBER

3629

MAIL DATE

DELIVERY MODE

05/01/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/630,530	Applicant(s) MORRIS, DANIEL R.	
	Examiner Matthew S. Meyers	Art Unit 3629	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 July 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-25 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-25 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. This action is in response to applicant's communication on 7/30/2003, wherein claims 1-25 are currently pending.

Claim Objections

2. The numbering of claims is not in accordance with 37 CFR 1.126 which requires the original numbering of the claims to be preserved throughout the prosecution. When claims are canceled, the remaining claims must not be renumbered. When new claims are presented, they must be numbered consecutively beginning with the number next following the highest numbered claims previously presented (whether entered or not). There are two claims number nineteen and there is no claim twenty-three.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 1-12 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Examiner cannot determine whether applicant is claiming the system for monitoring lien releases which encompasses the structure set out by applicant in claim 1, or if applicant is claiming the method steps as set forth in claim 1.

5. Claims 13-24 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Applicant claims a structure for storing lien "identification information", but it is unclear where loan status information would be stored. Is this information required to be stored?

Claim Rejections - 35 USC § 101

6. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-12 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter.

35 USC 101 requires that in order to be patentable the invention must be a "new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof" (emphasis added). Applicant's claims mentioned above are intended to embrace or overlap two different statutory classes of invention as set forth in 35 USC 101. The claims begin by discussing a system (ex. preamble of claim 1), the body of the claim discusses the specifics of the system for monitoring lien releases, and subsequently the claim then deals with the specifics of a method (the steps) executed by the system (see above rejection of claims under 35 USC 112, second paragraph, for specific details regarding this issue). "A claim of this type is precluded by the express language of 35 USC 101 which is drafted so as to set forth the statutory classes of invention in the alternative only", *Ex parte Lyell* (17 USPQ2d 1548).

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

8. **Claims 1-25** are rejected under 35 U.S.C. 102(b) as being anticipated by Feinberg et al. (Pub. No.: US 2002/0107703) (Hereinafter referred to as Feinberg).

9. With respect to **Claim 1**:

Feinberg discloses a system for monitoring lien releases (Feinberg [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset."), said system providing access to lien records for a plurality of lien record-keeping jurisdictions (Feinberg, [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset."), said system further including a database of electronic documents associated with at least one lien status (Feinberg .[0007], "Certain lien information is provided by a lien holder to a centralized database via the Internet."), and means for identifying a lien status based on note information and lien transaction information (Feinberg [0016], "Once the lien holder has been paid, a release or satisfaction is filed to indicate the debt has been paid."), a method for

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managing said lien releases (Feinberg [0018], "Although not specifically described herein, the invention is also applicable to...personal property liens...and all other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset."), comprising the steps of:

receiving a notice associated with at least one lien, said notice having at least a portion of said lien transaction information and at least a portion of said note identification information; and generating a document associated with said notice (Feinberg, [0017], "The document is updated with a recording number and a recording date. The liable party is served notice of the construction lien and the lien holder is notified of a perfected construction lien.").

10. With respect to **Claim 2**:

Feinberg discloses wherein, upon said notice indicating that said lien has a paid but unreleased status, said document generated is a release instrument (Feinberg [0016], "Once the lien holder has been paid, a release or satisfaction is filed to indicate the debt has been paid.").

11. With respect to **Claim 3**:

Feinberg discloses wherein said notice is a demand letter issued from a settlement agent having access to said system (Feinberg [0012], "The guidelines set forth the content and format of the information required to properly file a lien in each given jurisdiction. The guidelines are compiled from statutes, regulations, and local practice for each locale.").

12. With respect to **Claim 4**:

Feinberg discloses wherein said notice is an electronic communication (Feinberg [0012], "The data is transmitted using email communication protocols.").

13. With respect to **Claim 5**:

Feinberg discloses wherein said notice is a payoff disbursement package (Feinberg [0016], "Once the lien holder has been paid, a release or satisfaction is filed to indicate the debt has been paid.").

14. With respect to **Claim 6**:

Feinberg discloses wherein said document generated includes notice of receipt of said payoff package (Feinberg [0016], "Viewed in conjunction with FIG. 1, in the preferred embodiment the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services.").

15. With respect to **Claim 7**:

Feinberg discloses wherein said notice is a payoff order (Feinberg [0016], "Viewed in conjunction with FIG. 1, in the preferred embodiment the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services.").

16. With respect to **Claim 8**:

Feinberg discloses wherein said generated document is a payoff calculation statement (Feinberg [0015], "Reimbursements from the insurance company are used to satisfy the debt of the patient to the medical service provider.").

17. With respect to **Claim 9**:

Feinberg discloses the step of internally verifying a payoff (Feinberg Fig 3, Step 1, "Receive Notice of Client Payoff").

18. With respect to **Claim 10**:

Feinberg discloses wherein said notice is a closing communication (Feinberg Fig 3, Step 5, "Notify Patient That Lien has Been Released").

19. With respect to **Claim 11**:

Feinberg discloses wherein said document generated is one of a shortage report or a payment in full confirmation (Feinberg Fig 3, Step 5, "Notify Patient That Lien has Been Released").

20. With respect to **Claim 12**:

Feinberg discloses the step of establishing alert notices for at least one of a note cancellation, receipt of a payoff transmittal letter, receipt of a payoff check or wire (Feinberg [0004], "It is necessary to serve notice on the patient and all responsible insurance companies or parties that a lien on the expected payment has been recorded.")

21. With respect to **Claim 13**:

Feinberg discloses a system for managing liens, comprising:

a lien management component for receiving and storing lien identification information (Feinberg [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.");

means for receiving a notice associated with at least one lien, said notice including status information associated with said at least one lien, said status information including lien transaction information and information on a note underlying the lien; and means for issuing a response to said notice (Feinberg, [0017], "The document is updated with a recording number and a recording date. The liable party is served notice of the construction lien and the lien holder is notified of a perfected construction lien.").

22. With respect to **Claim 14**:

Feinberg discloses means for at least one of confirming or disputing said status of said at least one lien (Feinberg [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.").

23. With respect to **Claim 15**:

Feinberg discloses wherein, upon said notice indicating that said lien has a paid but unreleased status, said document generated is a release instrument (Feinberg [0016], "Once the lien holder has been paid, a release or satisfaction is filed to indicate the debt has been paid.").

24. With respect to **Claim 16**:

Feinberg discloses wherein said notice is a demand letter issued from a settlement agent having access to said system (Feinberg [0012], "The guidelines set forth the content and format of the information required to properly file a lien in each

given jurisdiction. The guidelines are compiled from statutes, regulations, and local practice for each locale.”).

25. With respect to **Claim 17**:

Feinberg discloses wherein said notice is an electronic communication (Feinberg [0012], “The data is transmitted using email communication protocols.”).

26. With respect to **Claim 18**:

Feinberg discloses wherein said notice is a payoff disbursement package (Feinberg [0016], “Once the lien holder has been paid, a release or satisfaction is filed to indicate the debt has been paid.”).

27. With respect to **Claim 19**:

Feinberg discloses wherein said document generated includes notice of receipt of said payoff package (Feinberg [0016], “Viewed in conjunction with FIG. 1, in the preferred embodiment the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services.”).

28. With respect to **Claim 20**:

Feinberg discloses wherein said notice is a payoff order (Feinberg [0016], “Viewed in conjunction with FIG. 1, in the preferred embodiment the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services.”).

29. With respect to **Claim 21**:

Feinberg discloses wherein said generated document is a payoff calculation statement (Feinberg [0015], "Reimbursements from the insurance company are used to satisfy the debt of the patient to the medical service provider.").

30. With respect to **Claim 22**:

Feinberg discloses the step of internally verifying a payoff (Feinberg Fig 3, Step 1, "Receive Notice of Client Payoff").

31. With respect to **Claim 23**:

Feinberg discloses wherein said notice is a closing communication (Feinberg Fig 3, Step 5, "Notify Patient That Lien has Been Released").

32. With respect to **Claim 24**:

Feinberg discloses wherein said document generated is one of a shortage report or a payment in full confirmation (Feinberg Fig 3, Step 5, "Notify Patient That Lien has Been Released").

33. With respect to **Claim 25**:

Feinberg discloses a method for generating a lien release (Feinberg [0016], "Once the lien holder has been paid, a release or satisfaction is filed to indicate the debt has been paid."), comprising the steps of:

receiving a payoff order for a loan, said loan being identified by at least one of loan identification number, obligor or property description (Feinberg [0016], "A release is prepared by the software program from the patient and insurance data previously transmitted and stored in the database when the lien was originally prepared.");

validating said loan information and verifying title information on a lien associated with said loan (Feinberg [0016], "The release is prepared according to guidelines from each jurisdiction previously stored on the database.");

presenting payoff information (Feinberg Fig 3, Step 5, "Notify Patient That Lien Has Been Released.");

receiving payoff amount and payoff disbursement package (Feinberg [0015], "Patient and insurance data is received from a remote node and stored in the database.");

reporting receipt of payoff disbursement package (Feinberg [0016], "The recording agency records the release.");

verifying payoff amount (Feinberg [0015], "The content and format of the data is verified. "); and

generating a lien release (Feinberg Fig 3, Step 5, "Notify Patient That Lien Has Been Released.").

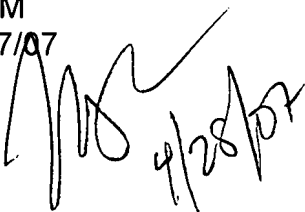
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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Matthew S. Meyers whose telephone number is (571)272-7943. The examiner can normally be reached on M-F 8:30-5:00.

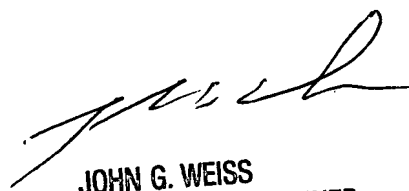
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (571)272-6812. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

MSM
4/27/07



Handwritten signature of MSM, dated 4/28/07.



JOHN G. WEISS
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